

The Gazette



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EXTRAORDINARY

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MINISTRY OF COMMERCE AND INDUSTRY

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 22nd March 1960

SUBJECT:—Cancellation of import licences secured fraudulently

No. 33-ITC(PN)/60.—Cases have come to the notice of the Government of India where licences obtained fraudulently or by misrepresentation have been operated upon by parties other than those who obtained such licences on the basis of a Letter of Authority or on the basis of a forward contract. In this connection, attention of all concerned is drawn to paragraph 9 of the Import Trade (Control) Order, 1955 under which licences obtained fraudulently or by misrepresentation are liable to be cancelled immediately, and to paragraph 5 of the Import Trade (Control) Order which states that the goods for the import of which a licence is granted shall be the property of the licensee at the time of the clearance through Customs, unless the said licence is covered by a Letter of Authority issued by the Licensing Authority. Operation of a licence under a forward contract in which the property in the goods has passed to the buyer even before clearance through the Customs is, therefore, in contravention of the provisions of the said Import Trade (Control) Order. Cases have come to the notice of the Government of India where individuals or firms operating on a licence fraudulently obtained on the basis of a Letter of Authority have been put to difficulties and financial loss due to the cancellation of the said licences. Under no circumstances, benefit of goods imported or exported under the licences obtained fraudulently or by misrepresentation can be given to persons holding Letters of Authority or operating a licence on a forward sale contract as persons operating any licence on the basis of Letter of Authority act only in the capacity of an agent and operation of a licence on the basis of a forward sale contract is contrary to the provisions of the Import Trade (Control) Order. No representations can be entertained by the Government under any circumstances from persons operating on a licence obtained by fraud or by misrepresentation and the parties, therefore, wishing to operate a licence on the basis of a Letter of Authority should ensure themselves, that they are not operating upon a licence obtained fraudulently or by misrepresentation.

K. T. SATARAWALA,

Chief Controller of Imports and Exports.

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